

# BUILDING A FUTURE READY IOWA

Beth Townsend, Director

February 16, 2021



IOWA  
**WORKFORCE**  
DEVELOPMENT



**BETH TOWNSEND**  
Director

**APPOINTED BY GOV. REYNOLDS**  
Confirmed by Iowa Senate in 2019



**ROD A. ROBERTS**  
**Commissioner**

Division of Labor

**APPOINTED BY**  
**GOV. REYNOLDS**  
Confirmed by Iowa Senate  
April 2019



**JOE CORTESE II**  
**Commissioner**

Workers' Compensation

**APPOINTED BY GOV.**  
**BRANSTAD**  
Confirmed by Iowa Senate  
April 2015



**RYAN WEST**  
**Deputy Director**

**JOINED IWD IN**  
**JUNE 2009**



**JON PEPPETTI**  
**Chief of Staff**

**JOINED IWD IN**  
**MAY 2019**



**MICHAEL WITT**  
**Division Administrator**  
American Job Centers -  
IowaWORKS



**CHRISTINA STEEN**  
**Division Administrator**  
Unemployment  
Insurance & Labor  
Market Information



**BRENDA BOTEN**  
**Division Administrator**  
Administrative Services



**NEIL SHAH**  
**Chief Information Officer**  
**Division Administrator**  
Information Technology



**MICHELLE MCNERTNEY**  
**Division Administrator**  
Workforce Services



**SCOTT PERKINS**  
**Bureau Chief**  
Unemployment  
Insurance



**DAVID STEEN**  
**General Counsel Supervisor**  
Legislative Liaison

# Impact of Pandemic on State Workforce Agencies

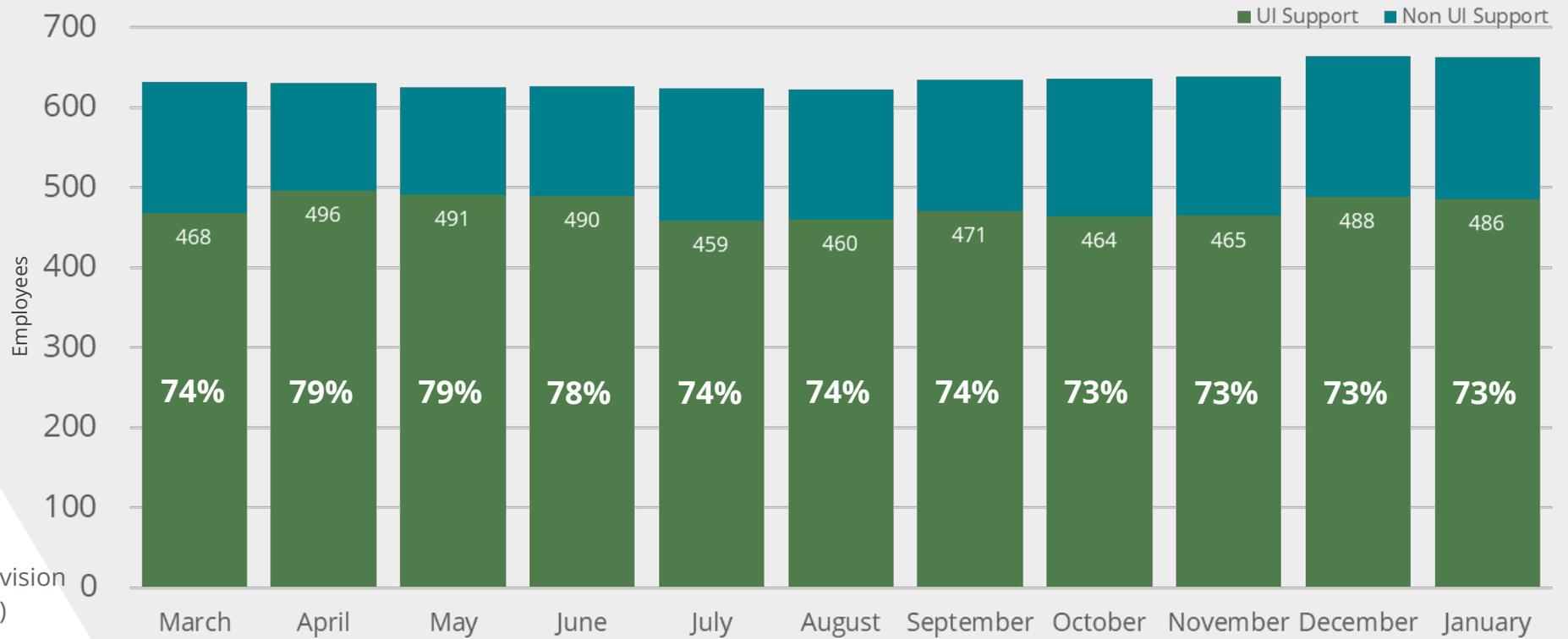
- **“State Unemployment Agencies Could Take Months To Adapt To WH Proposal, Memos Show” – National Public Radio, July 25, 2020**
- **“Underfunded, understaffed and under siege: Unemployment offices nationwide are struggling to do their jobs” – Washington Post, April 6, 2020**
- **“The ‘black hole’ of unemployment benefits: Six months into the pandemic, some are still waiting for aid” – CNBC, September 27, 2020**
- **“Coronavirus in Texas: State agency struggles with deluge of newly jobless” – Statesmen, March 25, 2020**
- **‘Too sweet of a pie’: Cybercriminals steal \$8B in Covid relief funds: States’ systems are overburdened and antiquated and have been unable to stop much of the fraud.” – Politico, October 12, 2020**

# Impact of Pandemic on State Workforce Agencies

- **“Washington’s unemployment fraud may have hit \$650 million; state recovers \$333 million” – Seattle Times, June 4, 2020**
- **“California Employment Department admits paying as much as \$31 billion in unemployment funds to criminals” – ABC Channel 7 News, January 25, 2021**
- **“AUDIT: Michigan may have paid out \$1.5 billion in fraudulent unemployment claims; director reportedly said it was not a “high priority”” – Fox News 17, November 25, 2020**
- **“Consultant estimates Kansas lost \$700 million in unemployment fraud” – KWCH News, February 5, 2021**

# IWD Response = All Hands on Deck

Portion of Full-Time Employees supporting the Unemployment Insurance Division



FOR COMPARISON,  
IN "NORMAL" TIMES:

**139** FTEs directly in support  
of UI Division (2018)

**145** FTEs directly in support  
of UI Division (2019)

**25%** of entire FTE staff

NOW:

**476** average number of FTEs  
directly in support of UI Division  
(March 2020-January 2021)

**75%** of entire FTE staff  
(on average)

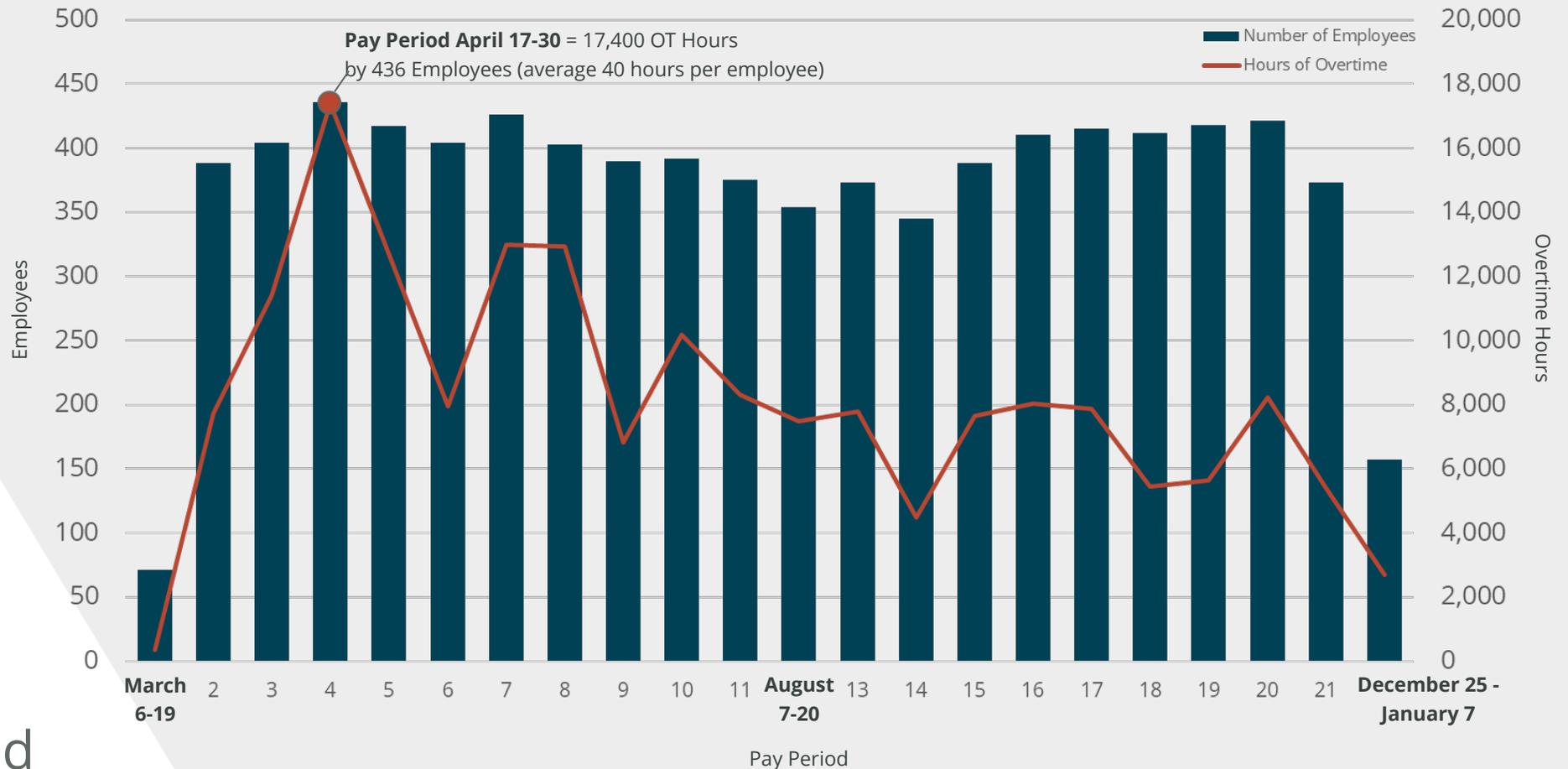
**3x** the percentage of FTE  
staff of previous years

ADDITIONALLY:

- IWD hired 204 temp employees (88 remain)
- 6 other state agencies "loaned" a total of 59 employees

# Overtime . . . More Than 20 Years of Work

Total Employees and Overtime Hours Worked per Pay Period: March 6, 2020 – January 7, 2021



**179,584**

Total OT Hours

**8,163**

Average Number of OT Hours

(worked per pay period)

**19/22**

Pay Periods Included Over 5,000 OT Hours

# Customer Calls . . . Unprecedented Volume

**1,587,636**

Total Calls in 2020

**76.7%**

Overall Answer Rate in 2020

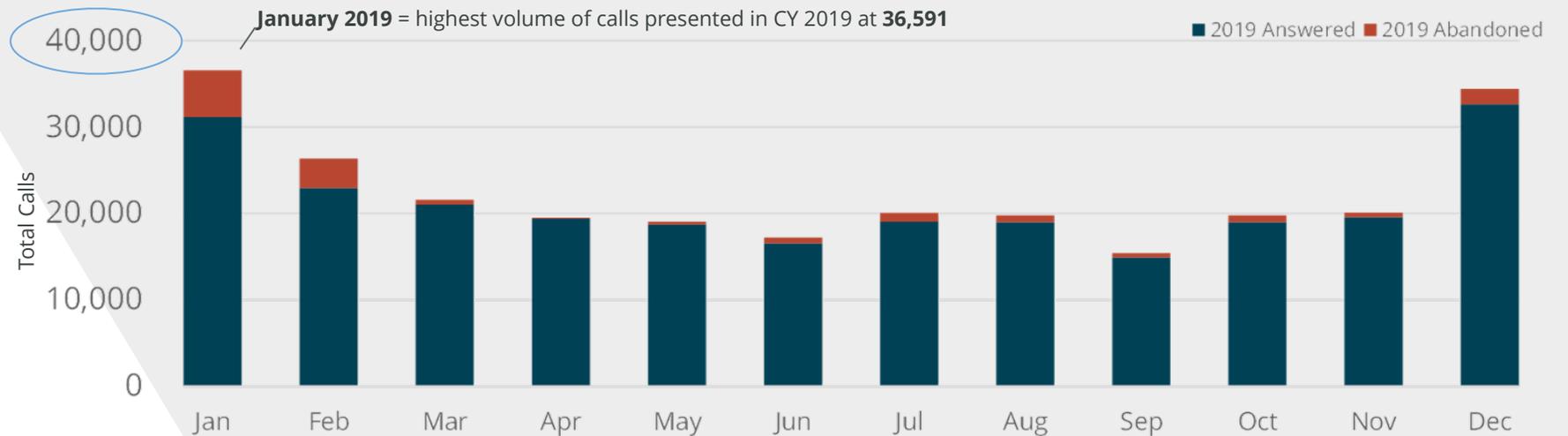
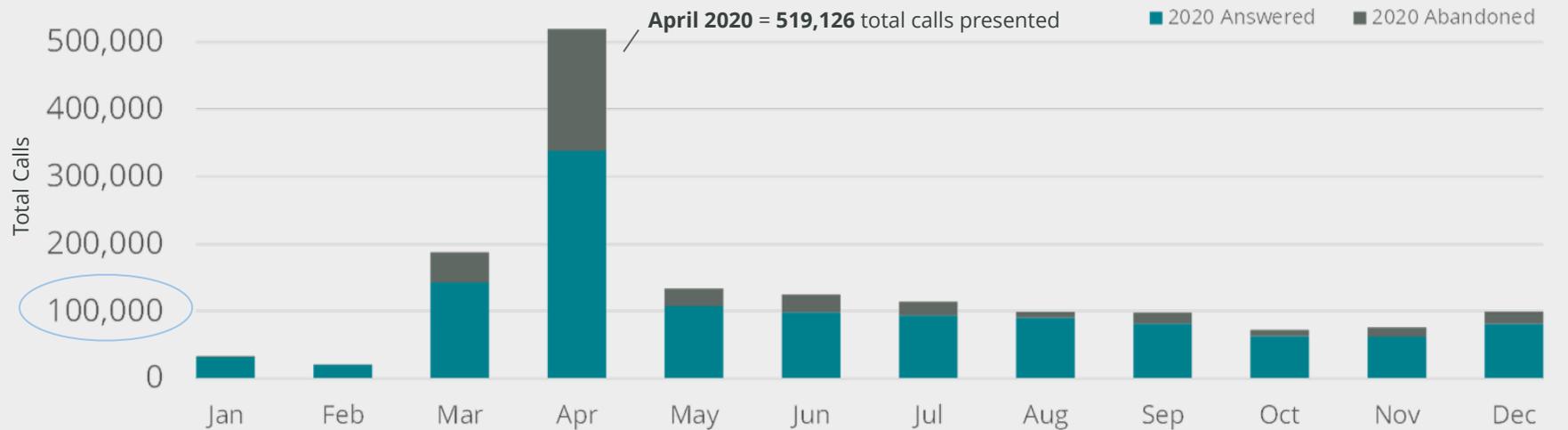
**269,778**

Total Calls in 2019

**94.1%**

Overall Answer Rate in 2019

2020 Call Intake versus 2019 Call Intake



# Website Traffic . . . Providing Customers Updates and Keeping Iowans Informed

PERIOD	USERS	SESSIONS	PAGEVIEWS
CY2019	931,692	2,642,835	5,453,657
CY2020	4,330,105	14,019,700	31,242,250

- Session = every time a customer accesses the IWD website
- Pageview = number of views of an IWD webpage by a customer during a session

# Managing the Flow of Information Through Proactive Communications

- New IWD Webpages = **9**
- Press releases (March 2020 - Feb. 4, 2021) = **79**
- CARES Act and UI Webinars = **19**
  - Over **210,000** combined views on IWD's YouTube Page
- Translations = CARES Act information translated into **9** additional languages (**45** pages total)

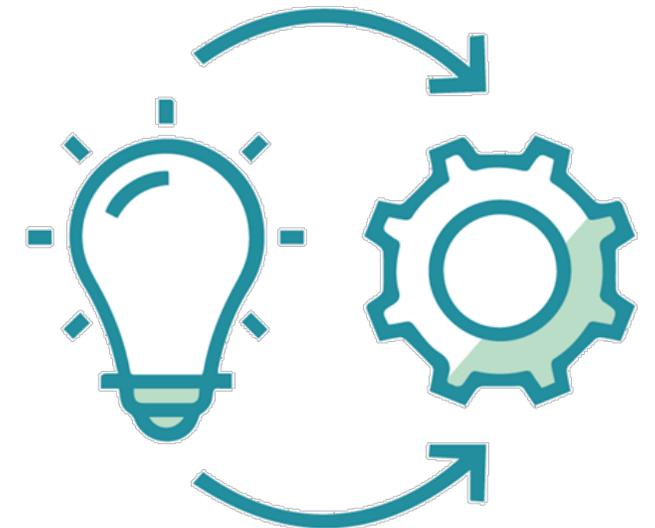
# Implementing Eight New Federal Unemployment Programs in 10 Months

Iowa has consistently been among the first states in the nation to implement and issue payments under each new program

PROGRAM	INITIAL USDOL GUIDANCE	FIRST PAYMENTS ISSUED
FPUC	4/4/20	4/16/20
PEUC	4/10/20	5/28/20
Extended Benefits	5/14/20	7/21/20
PUA	4/5/20	4/16/20
Lost Wage Assistance	8/12/20	9/4/20
FPUC 2 (\$300)	1/5/21	1/16/21
PEUC 2	1/4/21	2/16/21
PIIA 2	1/8/21	TBD

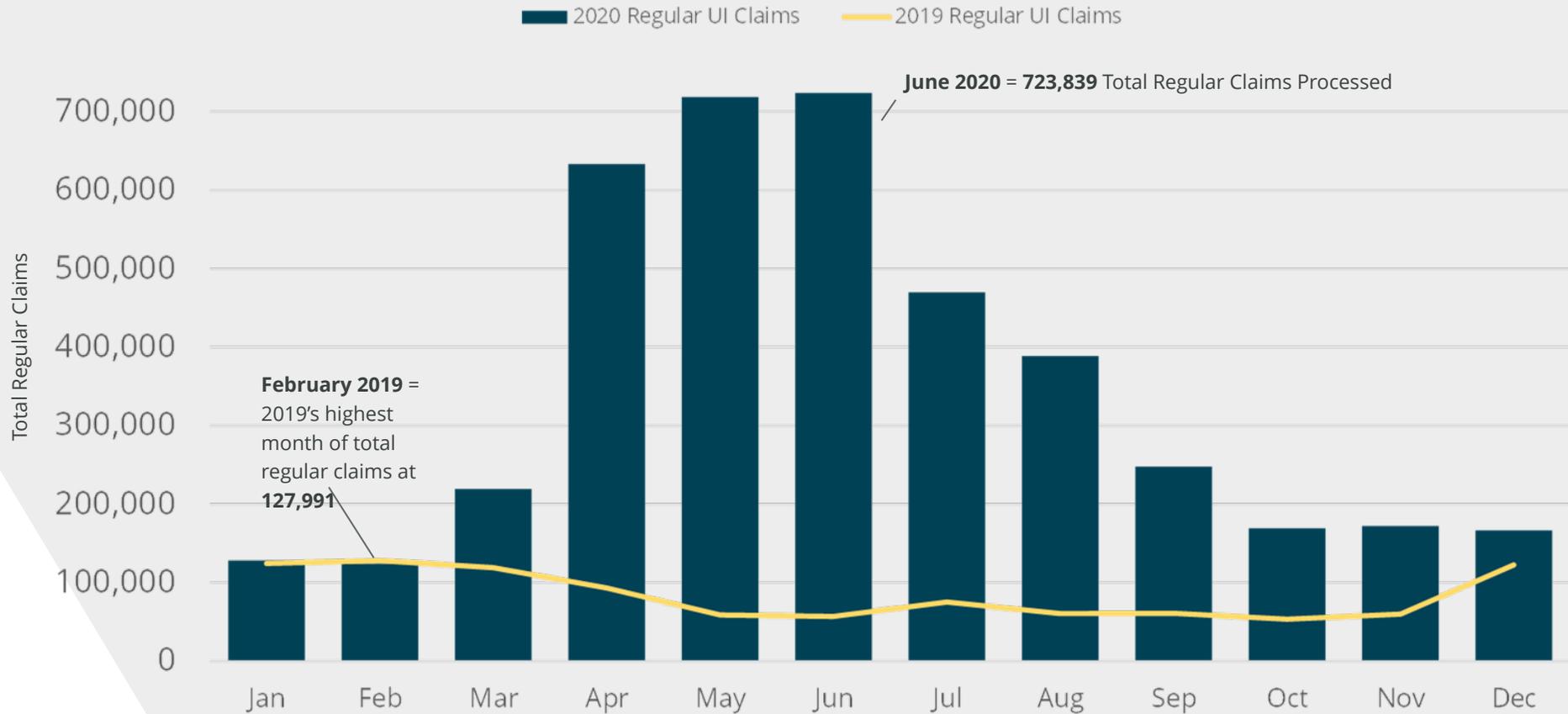
## 12 DAYS OR LESS

To implement FPUC, PUA, and FPUC2



# Regular UI Claims Processed

CY 2020 versus CY 2019



**4.2 million**

Regular Claims Processed in CY 2020

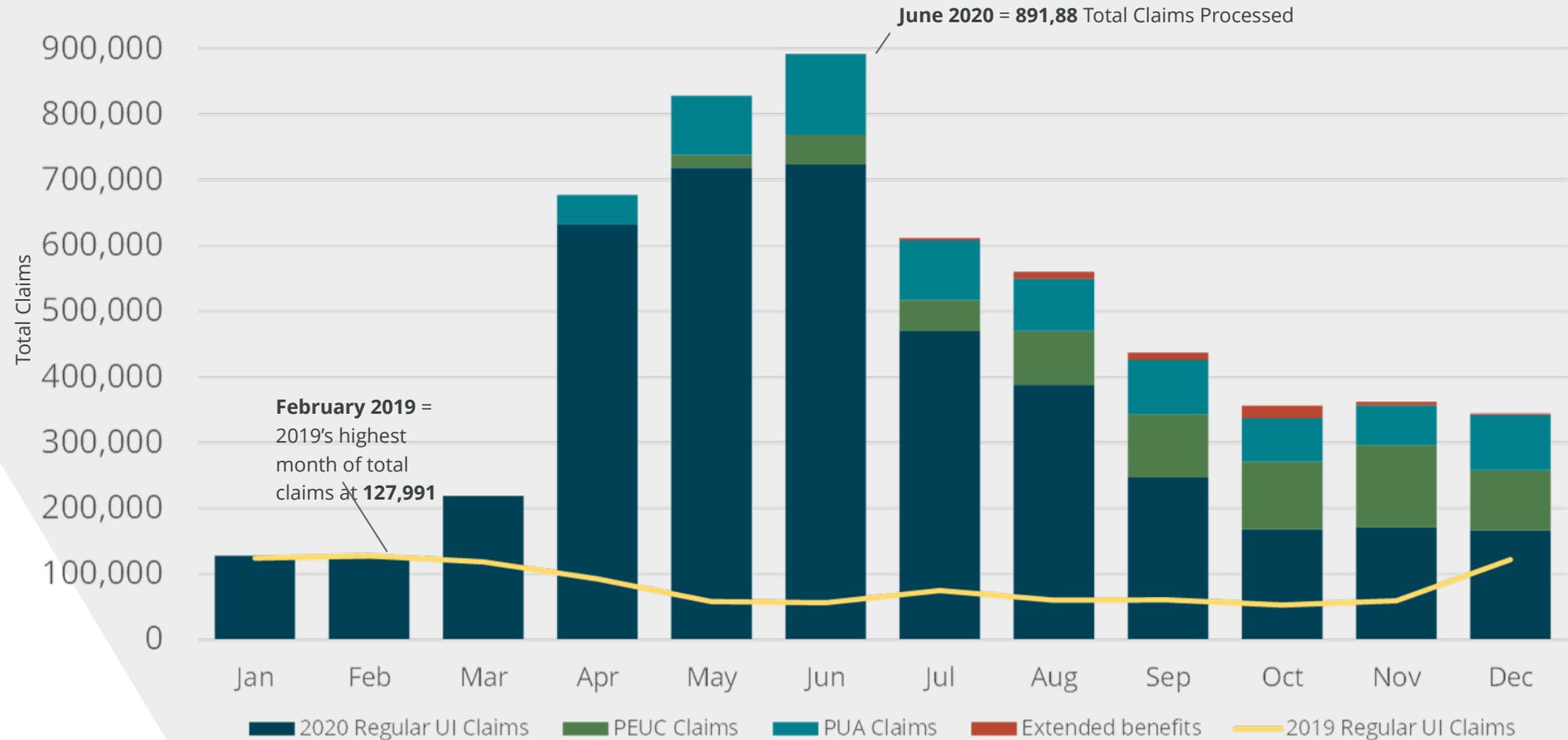
**COMPARED TO:**

**1.0 million**

Regular Claims Processed in CY 2019

# Total Claims Processed

CY 2020 versus CY 2019



**5.5 million**

Total Claims Processed in CY 2020

**COMPARED TO:**

**1.0 million**

Total Claims Processed in CY 2019

# Reducing Impact of Pandemic Through Timely, Correct Payments to lowans

BENEFITS PAID	CY 2020	CY 2019
Regular UI Claims Total benefits paid	\$1.3 Billion	\$381.8 Million
Pandemic Unemployment Assistance (PUA)	\$170.1 Million	\$0
Federal Pandemic Unemployment Compensation (FPUC)	\$1.5 Billion	\$0
Pandemic Emergency Unemployment Compensation (PEUC)	\$183.6 Million	\$0
State Extended Benefits	\$17.7 Million	\$0
<b>Sub Total</b>	<b>\$3.1 Billion</b>	<b>\$381.8 Million</b>
Lost Wage Assistance	\$156.9 Million	\$0
<b>All Claims</b>	<b>\$3.3 Billion</b>	<b>\$381.8 Million</b>



**\$2.9 Billion**

Difference 2020 to 2019

# Outreach . . . New Strategies for Job Seekers

## **Mobile Options for Job Seekers**

- Over 15 very successful drive-thru job fairs to date
- Launched the IowaWORKS.gov mobile application to reach job seekers

## **Virtual Job Club**

- Launched a weekly virtual job club in October for participants in the RESEA program and have now expanded that to all job seekers

## **Virtual Training Workshops**

- Recorded over 20 training workshops that had been given in-person at the American Job Centers

# Opportunities Through New Coronavirus Relief Fund Grants



PROGRAM	FUNDS EXPENDED (as of Feb. 3, 2021)	NUMBER OF GRANTS	IOWANS ASSISTED (if all grants are successful)
Employer Innovation Fund Grant Awards	\$4.304 Million	63	Over 6,000
Registered Apprenticeship Incentive Grant Awards	\$6.168 Million	69	Over 1,000
Earn and Learn Grant Awards	\$5.83 Million	45	Approximately 1,800

Implemented with federal CARES Act funding between September - December 2020

**OVER \$16 MIL**

in funds expended

**177**

grants awarded

**8,800**

estimated Iowans assisted

# Direct Care Training Including CNA Programs

- Includes CRF funds and the EIF fund:
  - \$2,839,157 awarded to programs that include CNA certification
  - 803 estimated CNA slots
  - 9 new CNA Registered Apprenticeship Programs

# RECEIPT OF UI TAXES



PERIOD	TOTAL EMPLOYERS WITH A PAYMENT	TOTAL PAYMENTS	PAYMENT TOTALS
CY2019	50,079	158,981	\$420,964,420.44
CY2020	48,934	154,034	\$416,450,129.16

- Payment amounts received did not drop significantly from a “normal” year to the pandemic year
- Iowa remains stable from a UI tax collections perspective

# STATE TAX WITHHOLDINGS



PERIOD	BENEFITS PAID	PAYMENT TOTALS	% of BENEFITS
CY2019	\$381.8 Million	\$12,339,241	3.23%
CY2020	\$3.3 Billion	\$119,401,354	3.62%

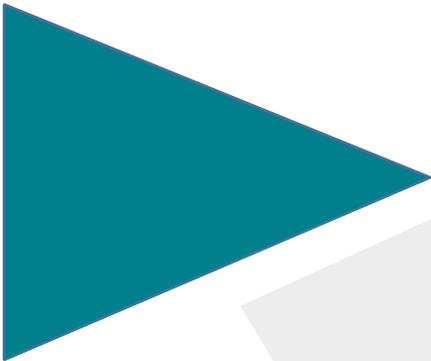


## FY20 Budget by Funding Source

**83.06%** Federal

**16.94%** State

Note - Federal funding does not include Federal Pandemic Assistance



# 2020 Special Contingency Fund Expenditures

	<u>Budget</u>
<u>Appropriations</u>	
Field Offices	\$1,766,084
<u>Expenditures</u>	
Unemployment^	\$120,660
Workers Compensation*	\$226,307
IWD Administration~	\$294,691
Labor Market Information~	\$66,313
Information Technology~	\$0
Infrastructure~	\$89,562
Future Ready Iowa*	\$76,992
Home Base Iowa*	\$103,483

Total Appropriations/  
Expenditures

**\$2,744,092**

\*The program is not federally funded.

~The work being performed is not an eligible expenditure to be charged to a federal grant.

^ Dollars from the P&I fund must be spent on unemployment activities each year to keep from reverting all collections back to the Federal Government.

# 2021 Special Contingency Fund Expenditures - Projected

<u>Appropriations</u>	Field Offices	<u>Budget</u>
		<b>\$1,766,084</b>
<u>Expenditures</u>	Unemployment^	<b>\$127,594</b>
	Workers Compensation*	<b>\$0</b>
	IWD Administration~	<b>\$406,698</b>
	Labor Market Information~	<b>\$110,483</b>
	Information Technology~	<b>\$75,000</b>
	Infrastructure~	<b>\$86,282</b>
	Future Ready Iowa*	<b>\$62,583</b>
	Home Base Iowa*	<b>\$320,227</b>
	Field Office Relocation+	<b>\$0</b>

Total Appropriations/  
Expenditures

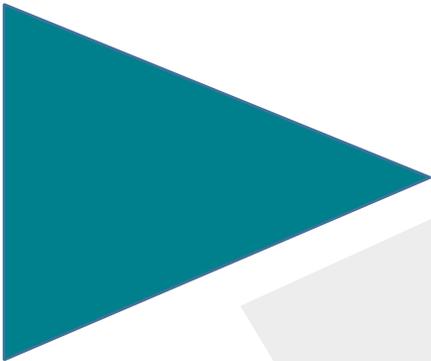
**\$2,954,951**

\*The program is not federally funded.

~The work being performed is not an eligible expenditure to be charged to a federal grant.

+ There is a shortfall in state/federal funding for work being performed.

^ Dollars from the P&I fund must be spent on unemployment activities each year to keep from reverting all collections back to the Federal Government.



# Governor's Recommendations FY2022

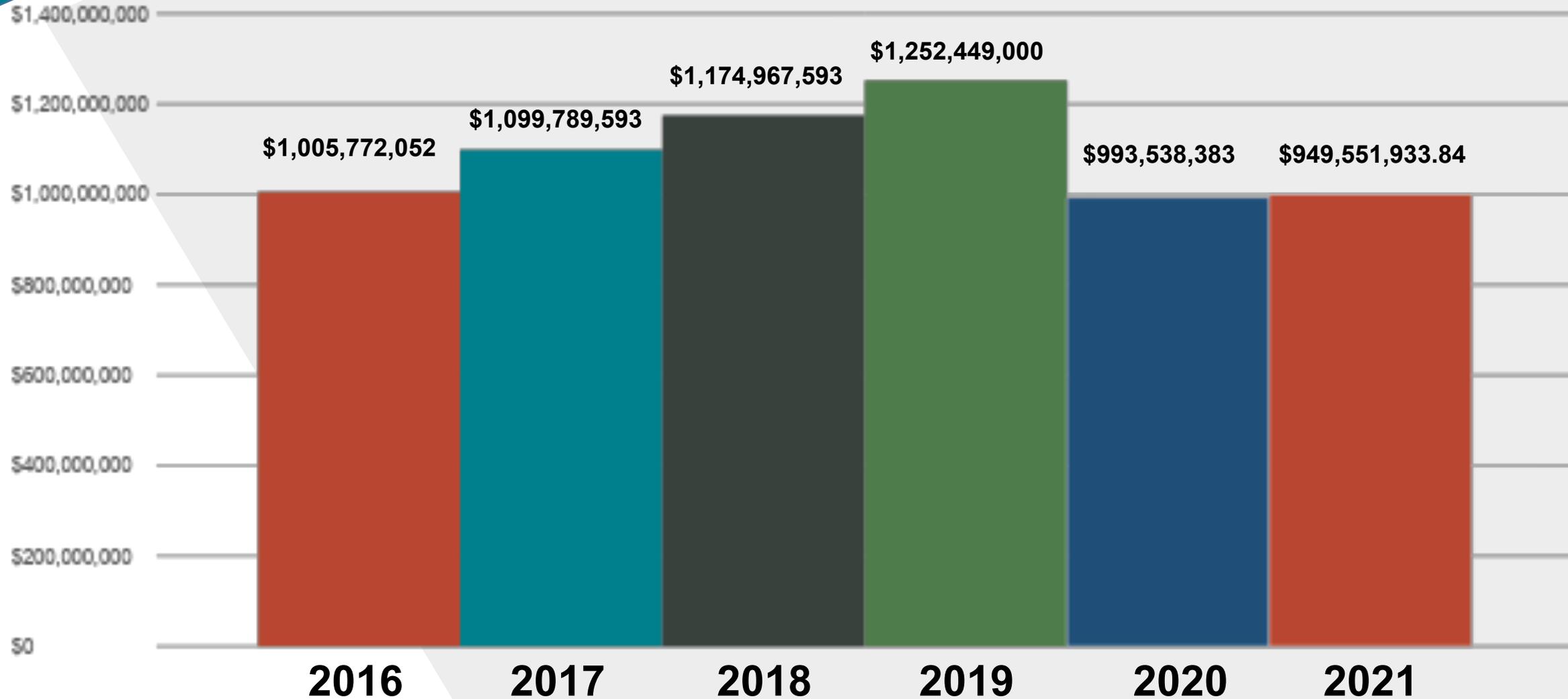
Workers' Compensation	—————	\$3,321,044
Labor	—————	\$3,491,252
Field Operations	—————	\$6,675,650
Offender Re-Entry	—————	\$387,158
Misclassification	—————	\$379,631
Summer Youth Pilot Program	—————	\$250,000
Home Base Iowa	—————	\$250,000
Employer Innovation Fund	—————	\$4,200,000
I3 State Accounting System	—————	\$228,822

Total General Fund  
Appropriation:

**\$19,183,557**

## UNEMPLOYMENT

# Compensation Fund

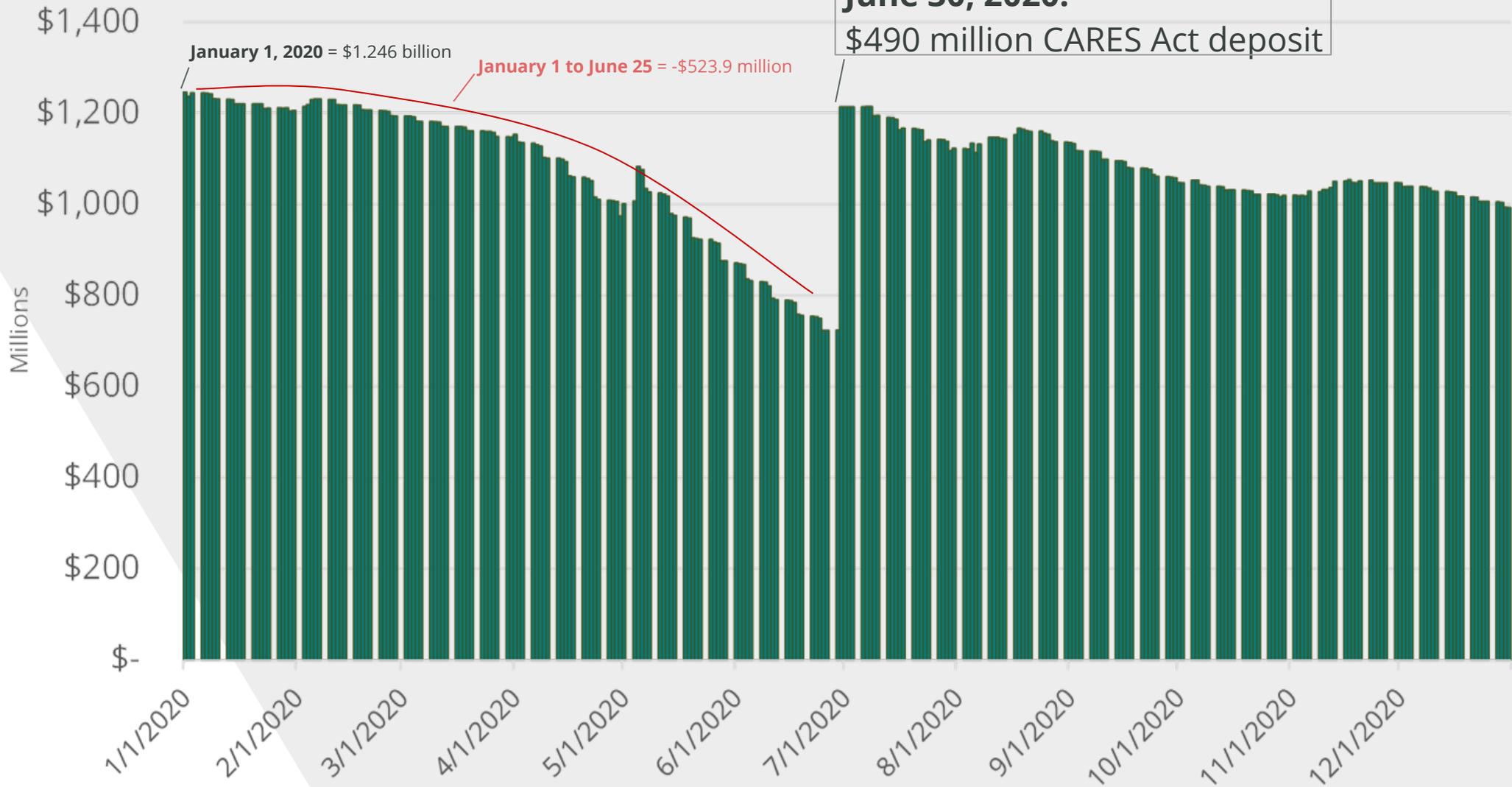


\*Numbers based on Calendar Year

# UNEMPLOYMENT

## Trust Fund - 2020 by Month

2020 Daily UI Trust Fund Available for Benefits



**June 30, 2020:**  
\$490 million CARES Act deposit

January 1, 2020 = \$1.246 billion  
January 1 to June 25 = -\$523.9 million

**\$1.2 bil**

January 1

**\$723.4 mil**

June 25

**+ \$490 mil**

on June 30 to:

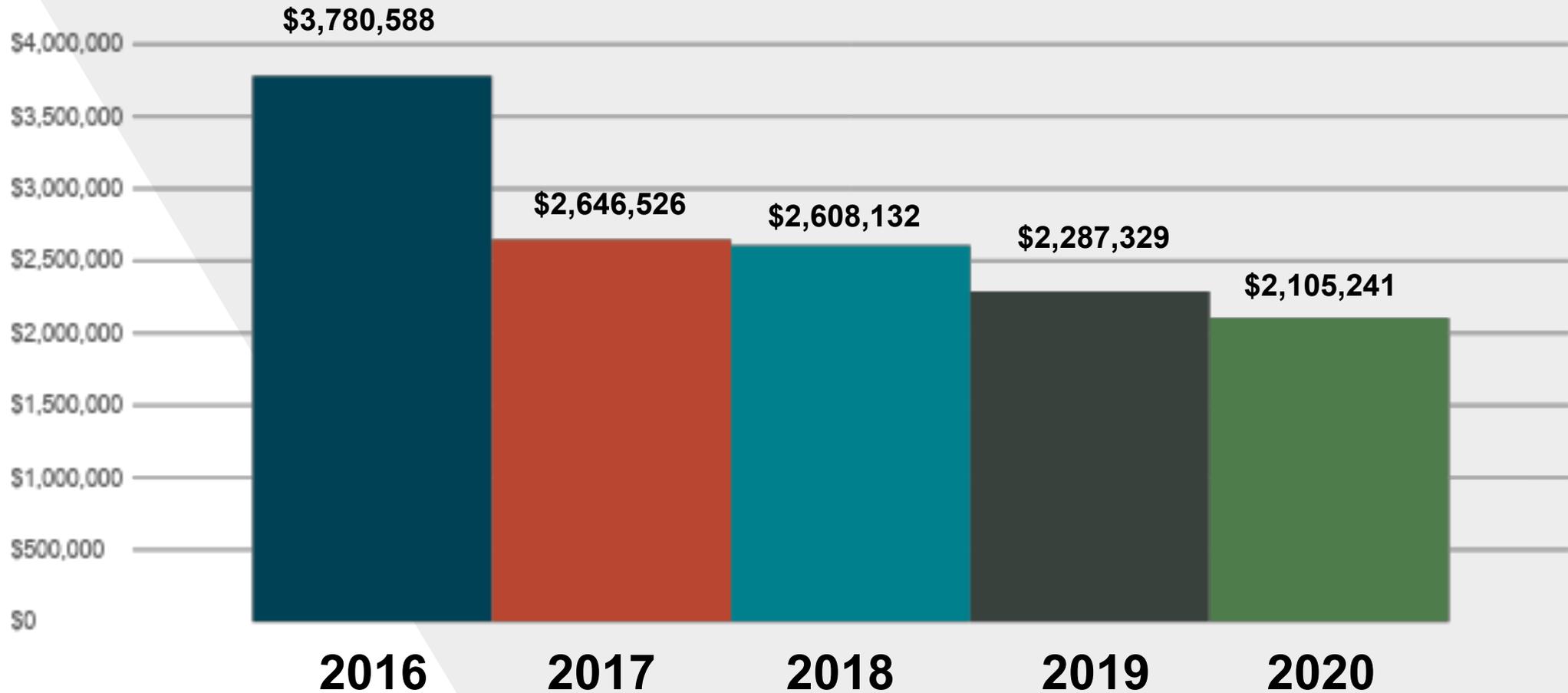
**\$1.2 bil**

**\$993.5 mil**

December 31

SPECIAL EMPLOYMENT

# Security Contingency Fund



Numbers based on State Fiscal Year

# NASWA 2021 State of the Workforce Report

## Released February 10, 2021

### Dedication

We dedicate this report to a group of unsung heroes who have worked diligently through the pandemic: state workforce agency staff. They are the boots on the ground, partners in the community, and innovators striving to assist every unemployed worker. They endeavor daily to strengthen their state's workforce and struggling economy.

In spite of the many obstacles they face - the stress of the pandemic, an inability to quickly respond to requests because of dramatic increases in workload, as well as personal threats and attacks from the very communities they serve - these workforce agency staff continue in their dedication to public service. We applaud and owe a debt of gratitude to these men and women.





ea.bylowa.gov



What's Your  
END GAME?  
Future Ready Iowa Coaches

I'M  
GETTING MY  
FUTURE  
READY

IOWA  
**WORKFORCE**  
DEVELOPMENT

**BUILDING A FUTURE READY  
WORKFORCE**